

## **HRIC Executive Committee**

**February 13, 2006**

**1) Council Leadership:** Rick shared a memo indicating that he has been asked to serve as temporary lead for the HRIC until a replacement can be named as Chair by the Governor. He indicated his interest in carrying forward the focus established by Tom Leever that the HRIC be a voice for employers on workforce development, and suggested that the next steps should be to define specific objectives and strategies to assure that we are communicating employer needs in a manner that results in the focused application of resources. This would include a clear organizational structure and an operating plan that actively engages the membership in the Council's work. The next steps will be; to get the Council re-authorized in State legislation (or an executive order) to compliment the Council's status in Federal law, to review the Executive Director's role and job description, and to recommend new business members to the Governor. Rick and Pat will review the job description and will circulate it to the Executive Committee for comments.

**2) Council Membership:** Chip provided a document listing the current business membership and a preliminary list of prospective members. The Committee discussed the criteria that should be used to screen potential members. These include; sector of the economy, geographic distribution, personal interest/motivation, overlap with other key boards or organizations, and influence with their sphere. The incumbents and prospective members were each reviewed and discussed, and additional names were suggested. Chip will update the list and provide a copy to the Executive Committee. Several members offered to contact selected individuals, and if they are interested, to pass the names on to Chip who will make a follow-up contact. It was agreed to recommend leaving the Labor representatives at four, which is two more than required in the Federal law. The conversation then moved to the challenge of getting the membership actively engaged in the work of the organization. It was pointed out that this is a challenge for many membership organizations, however, some, such as the VBR, are successful in using their members to add weight to their policy priorities. An updated listing of members was sent to the Committee two days after this meeting.

**3) Legislation and Executive Order:** Chip pointed out that States have several options for implementing the Federal law. He referred to a summary of the differences between the 2005 House bill and the Senate amendments. The summary also included the Council's recommendation from our January meeting on each item where the House and Senate differed. These recommendations were reviewed and it was agreed that they still represent the consensus of the Executive Committee. Chip explained that the legislative options are to refer the bill to a conference committee in order to work out a compromise, or to draft a new bill in the House for action in the Senate. Failing passage of a bill reauthorizing the Council the Governor can sign

an executive order to provide State authorization of the Council. An executive order can subsequently be superseded by Legislative action if the Legislature chooses to do so. It was agreed that it is preferable to have the Council established in Legislation and that Rick and Chip should talk to Kathy Keenan about the recommendations included in the summary. This was accomplished a few days later. Representative Keenan agreed to the Council's recommendations and indicated that she hoped to move the legislation forward.

**4) Strategic Plan:** At the January meeting Pat and Mike Quinn were asked to draft a new vision and strategies for discussion at this meeting. Pat and Mike distributed a draft (copy attached) and asked for comments. The document includes a description of the key workforce challenges identified in the Council's Workforce Challenge Statement and calls for an "employer driven workforce development system" in which employers will;

- drive training initiatives and be active partners in developing and sustaining them
- be active in outreach efforts with young people and underemployed workers concerning employment opportunities that are directly connected to life-long learning opportunities
- embrace continuous improvement approaches to system development

There was considerable discussion about how the Council can be most effective in addressing the State's workforce challenges. Opinions expressed included the following;

- focusing on priority sectors is important, however preparation for occupations such as child care providers, teachers or road construction workers should not be overlooked.
- aggregation of needs and the resources to address those needs is something that the council is well positioned to do and will help the providers ramp up essential programs,
- data based decision making and isolating a limited number of dashboard indicators is an effective way to focus and prioritize our efforts
- we need an early warning system that will detect critical workforce training needs so we can align resources to respond.
- we need to strike a balance between setting high level strategic objectives and undertaking specific projects that produce demonstrable results

After some discussion it was agreed that our work plan may fall into four key areas:

**a) Sector Focus:** Addressing the near term needs of specific selected sectors that are experiencing workforce shortages, such as health care, manufacturing or information technology. We might start one of these each year with a focus on strategies that will produce short term measurable results. This might include improving WIB capacity to detect and respond to regional workforce shortages, and utilizing the "aggregation of need" strategy that Tim suggested.

**b) Systemic Interventions** or system-wide strategies that we believe can produce significant results. Examples might include expanding work-based learning opportunities, developing effective career advising systems, or promoting SCANS as a system-wide curriculum and assessment focus.

**c) Structural Reforms** that require significant changes in law, regulations, funding mechanisms, governance or agency/institution policy that are necessary to achieve improved performance. Examples include the changes made to sending-school tuition reimbursements to regional technical centers, the single statewide contract for adult literacy programs, or changes to child labor regulations or liability laws to enable expansion of work-based learning programs.

**d) Measuring Performance** is essential to good decision-making and to demonstrating the success of the Council's work. A set of "dashboard indicators" should be developed that would document the effectiveness of the strategies described above.

It was observed that each of these approaches operate within different time frames which range from a few months to many years. In the past, the Council has been successful in some areas by maintaining strategic focus over period years through leadership changes of the key partner organizations. Another factor that helps the Council's work is the ability to convene the multiple parties that are often required.

Pat and Mike agreed to incorporate this feedback into a re-draft that will suggest some specific action items

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Workforce Development Council (HRIC)

~ DRAFT ~

**An opportunity to transform the workforce development, economic development and educational systems in Vermont into a comprehensive, integrated system and to leverage existing assets with a goal of creating and enhancing Vermont's knowledge-based jobs opportunities.**

Three core problems:

- 1) Growing Worker Shortage caused by an aging workforce, escalating skill sets required by Vermont businesses and the "brain drain" of youth leaving the state;

- 2) Infrastructure Deficit or lack of effective systems that facilitate a continuous flow of information among businesses, our educational
- 3) Lack of higher-wage, knowledge-based jobs that will allow our economy to grow.

**The State of Vermont's long-term economic vitality now hinges on the ability to effectively link our economic development strategy to our workforce development system.**

#### **Strategies:**

Support the three key themes contained within the Governor's Strategic Plan for Job Creation: Retention, Recruitment and Entrepreneurship.

Integrate the State's existing Economic Development Plan with workforce development and education to create a comprehensive Strategic Plan linking these areas.

Develop an employer-demand driven system where:

- 1) Employers will be the driving force behind education and training initiatives, and will be active partners in developing and sustaining them.
- 2) Employers will also be actively engaged in outreach efforts with young people and displaced workers, to educate new and transitioning workers about employment opportunities. The system will embrace proven philosophies of continuous improvement as the cornerstone of this transformation.
- 3) Employers will be constantly and directly connected to educational resources; employees will have lifelong learning opportunities and understand their career path; and companies will grow and expand with their highly skilled workforce.

Instill a statewide workforce culture where continuous workforce development and lifelong learning are the predominant driving values. This system will drive innovation, create entrepreneurs, retrain aging workers, attract new workers and keep our youth in Vermont with higher wage jobs.

Focus on the Governor's five "Centers of Innovation" which represent cross-industry, high growth areas that Vermont has already begun to create as its niche areas: Information Technology, Environmental Technologies, Agricultural/Food Science, Life Sciences including Biological and Medical Sciences, and Advanced Manufacturing.

Develop a Framework for Entrepreneurship that will map and coordinate resources at all levels, including funding options, higher education, and economic development resources.

Expand opportunities for successful entrepreneurship, foster applied research and development, and promote commercialization and diffusion of technology-based innovations.

#### **Suggested Action Plans:**

Workforce Development Council (HRIC) members should be the primary spokespersons for the workforce needs of business. They should work closely with its local WIBS, the Department of Economic Development and its statewide network, Governor's Interagency Workforce Development Committee and Apprenticeship Council, Board of Education, Department of Education, Business Roundtable and applicable statewide business and educational associations and entities such as Chambers of Commerce, AIV, AGC, VHEC, etc.)

Establish goals for and coordinate the statewide workforce development policies.

Strengthen the quality of economic and workforce information available to decision-makers by revamping the data collection, analysis and dissemination systems.

Advise the Governor on the establishment of an integrated network of workforce development for Vermont.

Participate in testimony on workforce development related legislation based on input from the business community and

Coordinate economic and workforce development activities around regions and groupings of firms to improve labor market performance.

Coordinate planning and services for an integrated network of workforce development based upon the identified occupational needs of Vermont employers and oversee its implementation.

Established and oversee workforce development boards; review current delivery model and establish regional performance goals.

